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Jeffrey M. Nelson Chief Legal Officer

November 15, 2018

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire Chief Clerk & Administrator Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, South Carolina 29210

RE:

Application of Duke Energy Carolinas, LLC for Approval of Proposed Electric Transportation Pilot and An Accounting Order to Defer Capital and Operating Expenses

Docket No. 2018-321-E

Application of Duke Energy Progress, LLC for Approval of Proposed Electric Transportation Pilot and An Accounting Order to Defer Capital and Operating Expenses

Docket No. 2018-322-E

Dear Ms. Boyd:

By this letter, the South Carolina Office of Regulatory Staff ("ORS" hereby notifies the Public Service Commission of South Carolina ("Commission") that ORS has reviewed the requests submitted by Duke Energy Carolinas, LLC ("DEC") and Duke Energy Progress, LLC ("DEP") (together the "Companies") in the above referenced Dockets. The Companies seek approval from the Commission of each Companies' proposed electric transportation pilot ("ET Pilot" or the "Pilot") for a duration of three (3) years and accounting orders for regulatory and financial accounting purposes authorizing the Companies to defer in regulatory assets the related expenses until their next general rate cases following deployment of the ET Pilots. The Companies also request expedited

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review by seeking Commission approval within sixty (60) days from the date of the initial filing with an effective date of ninety (90) days from the date of Commission approval.

The ET Pilot is composed of four programs: 1) the Residential Electric Vehicle ("EV") Charging Program (DEC only); 2) the EV School Bus Charging Station Program; 3) the EV Transit Bus Charging Station Program; and 4) the Direct Current ("DC") Fast Charging Station Program. The combined estimated cost of the ET Pilots in South Carolina is approximately \$10.4 million over the program's proposed initial three (3) years (\$7.1 million for DEC and \$3.3 million for DEP). The main goals of the Pilots are, among other things, to study the effects of charging multiple types of electric vehicles, study how best to support public transit electrification and associated cost savings in South Carolina, study how to ensure electrification projects benefit all customers, including customers who do not own electric vehicles, install a foundational level of fast charging infrastructure across the Companies' service territories in South Carolina, and develop procedures to ensure cost-effective integration of vehicle charging by actively managing charging loads.

ORS also reviewed the Petition to Intervene submitted by the South Carolina Coastal Conservation League and Southern Alliance for Clean Energy on October 22, 2018 and supports their request to submit comments within the 60-day window. In addition, ORS believes the Programs as presented merit more time for thorough review and analysis to develop a position on the Companies' Applications. Therefore, ORS respectfully requests the Commission deny the Companies' requests for expedited review and allow all interested parties until December 10, 2018, to provide comments in these Dockets.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Joseph Melchers, Esquire (via E-mail) All Parties of Record (via E-mail)

cc: